#### COMMONWEALTH OF KENTUCKY

### BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| PURCHASED WATER ADJUSTMENT FILING OF | )  | CASE NO.   |
|--------------------------------------|----|------------|
| SOUTHEAST DAVIESS COUNTY WATER       | )  | 2014-00145 |
| DISTRICT                             | j) |            |

#### ORDER

On May 15, 2014, Southeast Daviess County Water District ("Southeast Daviess") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup>

The Commission, having reviewed the record and being sufficiently advised, finds that:

- Southeast Daviess purchases water from Owensboro Municipal Utilities
   ("Owensboro.")
- 2. On June 1, 2014, Owensboro increased its wholesale water rate to Southeast Daviess from \$1.50 per 1,000 gallons to \$1.54 per 1,000 gallons.<sup>2</sup>
- 3. On June 1, 2014, Southeast Daviess increased its water rates to reflect the increased cost of purchased water from Owensboro.
- 4. During the 12 months ended March 31, 2014, Southeast Daviess purchased 615,133,000 gallons of water from Owensboro and sold 574,262,280

<sup>&</sup>lt;sup>1</sup> KRS 278.015; 807 KAR 5:068.

<sup>&</sup>lt;sup>2</sup> TFS 2014-00240 (Ky. PSC filed Apr. 22, 2014); Letter from Dennis Brent Kirtley, Tariff Branch Manager, Public Service Commission, to Terrance P. Naulty, Owensboro Municipal Utilities (May 21, 2014.)

gallons. The increase in the cost of purchased water is \$24,605.32, resulting in a purchased water adjustment of \$0.04 per 1,000 gallons.

- 5. The purchased water adjustment of \$0.04 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.
- 6. Southeast Daviess's proposed rates, as set forth in Appendix B to this Order, are fair, just, and reasonable and should be approved for water service rendered on and after June 1, 2014.

## IT IS THEREFORE ORDERED that:

- 1. The purchased water adjustment of \$0.04 per 1,000 gallons is approved.
- 2. Southeast Daviess's proposed rates are approved for water service rendered on and after June 1, 2014.
- 3. Within 20 days of the date of this Order, Southeast Daviess shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

By the Commission

ENTERED MA

JUN 12 2014

KENTUCKY PUBLIC

ATTES

Executive Director

## APPENDIX A

# APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2014-00145 DATED JUN 1 2 2014

|                      | New Rate      | Base Rate             |
|----------------------|---------------|-----------------------|
| Southeast Daviess    |               |                       |
| Purchases in gallons |               |                       |
| Owensboro            | 615,133,000   | 615,133,000           |
| Volumetric rate      | \$ 1.54/1,000 | \$ 1.50/1,00 <u>0</u> |
|                      | \$ 947,304.82 | \$ 922,699.50         |

Increased water cost \$24,605.32

Increased water cost \$ 24,605.32 Divided by gallons sold/1,000 \$ 574,262,280 \$ 0.0428

Purchased water adjustment factor \$0.04 per 1,000 gallons

## APPENDIX B

## APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2014-00145 DATED JUN 1 2 2014

The following rates and charges are prescribed for the customers in the area served by Southeast Daviess County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

## Monthly Water Rates

Customer Charge

| <u>Oustorier Onlarge</u>   |   |
|--|---|
| 5/8-Inch X 3/4-Inch Meter  | \$ 2.53 per Month   |
| 1-Inch Meter   | 3.54 per Month  |
| 1 1/2-Inch Meter   | 4.55 per Month  |
| 2-Inch Meter   | 7.34 per Month  |
| 3-Inch Meter   | 27.83 per Month   |
| 4-Inch Meter   | 35.42 per Month   |
| 6-Inch Meter   | 53.13 per Month   |
| 8-Inch Meter   | 73.37 per Month   |
| Usage Charges<br>First 20,000 Gallons<br>Over 20,000 Gallons   | \$ 3.48 per 1,000 Gallons<br>2.63 per 1,000 Gallons                           |
| Wholesale Water Rate City of Whitesville East Daviess County Water Association Owensboro Municipal Utilities | \$ 1.89 per 1,000 Gallons<br>1.89 per 1,000 Gallons<br>1.89 per 1,000 Gallons |

William G Higdon Manager Southeast Daviess County Water District 3400 Bittel Road Owensboro, KY 42301